

## Minutes of the meeting held on December 5, 2022

Present: Francis Murphy – Chair, Michael Gardner, Nadia Chamblin-Foster, John Shinkwin, Joseph McCann, Ellen Philbin, James Quirk, and Chris Burns.

The meeting was called to order at 11:00 AM. The meeting was digitally recorded. This was a hybrid meeting, held in-person in the Sheila Tobin Conference Room at 125 CambridgePark Drive, with some participants joining via Webex videoconference.

### Agenda Item #1 – Cambridge Bancorp Presentation

Denis K. Sheahan and Michael F. Carotenuto represented Cambridge Bancorp. A written presentation was submitted to the Board. In October, the bank completed a merger with Northmark Bank. This adds three new branches in Winchester, Andover and North Andover. The new banks will switch their branding over to Cambridge Bancorp in April. The bank now has \$4.3 billion in deposits, \$3.6 billion in gross loans and \$3.8 billion in wealth management assets. Sheahan discussed the bank's work in support of affordable housing through commitments to the Massachusetts Housing Partnership and New Hampshire Housing. The bank has also made \$109 million in loans to support solar and hydro development. He noted that it was all commercial solar projects, as the bank does not have expertise with residential solar. 2022 was a challenging year for the bank. The recent increase in interest rates has been the steepest in over fifty years. With rates so much higher, Sheahan stated that he was concerned about a slowdown in lending. The bank's capital position and liquidity remain strong, and Sheahan stated he felt the bank had a good buffer to weather a possible recession. Total loans have grown modestly in 2022. The loan portfolio is now evenly split between residential and commercial loans. Wealth management assets have fallen by 20% due to losses in the capital markets. Deposits have fallen slightly, with Sheahan stating that some customers may have withdrawn funds to look for better yields. Sheahan noted that the bank has increased its dividend in each of the last 23 years. The Chairman requested that Sheahan provide more information on the total dollar value of dividends paid each year. Sheahan reviewed the importance of the bank's size in keeping up the ability to attract talent and invest in new technology. He stated that the bank is not seeking additional mergers, but considers them opportunistically. He noted that the banking market in Massachusetts is largely consolidated, so there are few opportunities available for mergers. Carotenuto asked if Cambridge had any policies around preferred governance/compensation policies that they could pass on to their own Board. Chamblin-Foster requested more information on the loan commitment to the Massachusetts Housing Partnership affects Cambridge. Sheahan noted that, as a State program, the bank has no impact on which cities receive money. He offered to report back with as much information as possible.

### Agenda Item #2 – Minutes

Motion by Chamblin-Foster, seconded by Shinkwin to accept the regular minutes of the meeting held on November 7, 2022. The motion carried on a 4-0 vote with McCann abstaining.

Motion by Gardner, seconded by Chamblin-Foster to accept the executive session minutes of the meeting held on November 7, 2022. The motion carried on a 4-0 vote with McCann abstaining.

### Agenda Item #3 - Warrants

Motion by Gardner, seconded by McCann to accept payment of Warrant #22 in the amount of \$8,917,722.74 and Warrant #23 in the amount of \$2,227,733.47. Voted unanimously.

### Agenda Item #4 – Superannuations

Motion by Chamblin-Foster, seconded by Shinkwin to accept the Superannuation retirement applications submitted by Frank Atchue, Plumbing & Gas Inspector, Inspectional Services Dept. with twenty-nine years, six months; William Connell Jr., Assistant Manager of Distribution,

Water Dept. with forty-six years, two months; Stephen Lyons, Patrol Officer, Police Dept. with thirty-three years, eleven months; and Frederic Riley, Deputy Superintendent, Police Dept. with thirty-three years, ten months. Voted unanimously.

#### Agenda Item #5 - Make-ups/Redeposits/Liability

The Board reviewed make-up and redeposit worksheets for five members.

Motion by Gardner, seconded by Shinkwin and to allow redeposit of a refund for Derrick S. Bridgeman, two years, four months; Ashebir T. Gezmu, one year, seven months; Christine E. Gilbertson, three months; and Peter Vellucci, one year.

Motion by Chamblin-Foster, seconded by Shinkwin allow the redeposit of a refund for Marc Y. Jean-Baptiste, three years, five months. Voted unanimously.

#### Agenda Item #6 – Make-Up – Malvina Monteiro

The Board reviewed correspondence from Attorney Poser, a DALA decision regarding the calculation of Malvina Monteiro’s benefit and proposed calculations of the cost of service buyback. Attorney Nicholas Poser appeared, representing Malvina Monteiro.

The Director reviewed the history of the Monteiro case. She retired in 2018, after having received a substantial award of damages from the City for wrongful termination. The structure of the award was somewhat unclear. PERAC disagreed with the Board’s original calculation of how much service she could buy based on the award. DALA has now found that Monteiro can buy service through June 5, 2009. This is an additional year of service above what PERAC authorized. Neither side appealed the decision and it is now final.

The Director noted that she had provided three proposed calculations of the makeup. The first includes full interest from 2008 to present. Another waives all interest and the third waives interest from 2019 to present, from the date that PERAC appealed her benefit calculation.

Gardner stated that he felt it made sense that Monteiro should not be penalized since she attempted to retire and buy her service in 2019 but was only prevented because PERAC disputed it. Poser stated that he felt that a waiver of interest would be entirely appropriate and thanked the Board for their consideration.

Motion by Shinkwin, seconded by Chamblin-Foster to allow the buyback of 1 year of creditable service for Malvina Monteiro and to waive interest on the repayment after May 31, 2019. Voted unanimously.

#### Agenda Item #7 – Refund Applications

The Board reviewed a list of refund applications submitted in November.

Motion by Gardner, seconded by Shinkwin to accept nine refund applications. Voted unanimously.

The Chairman requested to adjourn the open meeting and go into executive session for the purpose of discussing disability retirement applications. The Chairman stated that the meeting would reconvene in open session the conclusion of the executive session. On a roll call, the vote was as follows:

John Shinkwin:	YES
Michael Gardner:	YES
Joseph McCann:	YES
Francis Murphy:	YES
Nadia Chamblin-Foster:	YES

#### Agenda Item #8 – Accidental Disability Benefit – Joanne Allison

The Board reviewed the certificate and narrative reports of three separate medical exams, the member’s application, treating physician’s statement and employer’s statement pertaining to

Joanne Allison's Accidental Disability application. Attorney Kelli Silva appeared, representing the member.

Motion by Shinkwin, seconded by Gardner to accept findings of the medical panel and grant Accidental Disability benefits to Joanne Allison, a Parking Control Officer in the Traffic & Parking Department. Voted unanimously.

#### Agenda Item #9 – Accidental Disability Benefit – Eduardo Santana

The Board reviewed correspondence from PERAC, the medical panel reports, member's application, treating physician's statement and employer's statement pertaining to Eduardo Santana's Accidental Disability application. Attorney Timothy Smyth appeared, representing Eduardo Santana.

Quirk stated that PERAC has denied the Board's request to appoint a new medical panel. Smyth thanked the Board for their efforts on behalf of his client.

Motion by McCann, seconded by Shinkwin to deny the application filed by Eduardo Santana, Senior Milieu Counselor at Cambridge Health Alliance. The motion carried on a 4-1 vote, with Murphy voting in the negative.

#### Agenda Item #10 – PERAC Memos

The Board reviewed PERAC Memos #28, 29 and 30.

Quirk stated that many of his clients are adopting a wait-and-see approach to adoption of electronic signatures.

#### Agenda Item #11 - Old Business

Quirk reported that Pension Technology Group and hrMecca have settled their lawsuit and the case has been dismissed with prejudice.

Quirk reported that PERAC has agreed to appoint a new medical panel to examine Elizabeth Vendetti.

#### Agenda Item #12 - New Business

Motion by Gardner, seconded by McCann to request that Segal prepare a projection of the cost of adopting a 5% COLA, noting any impact on the funding schedule. Gardner requested that the matter be placed on the agenda for further action by the Board once Segal completes their work.

#### Agenda Item #13 – Executive Session

Agenda Item #8 – adopted

Agenda Item #9 – denied

#### Agenda Item #14 - Chairman's Report

None offered.

#### Agenda Item #15 – Executive Director's Report

The Director stated that the telework program has been running smoothly.

The Director stated that she has reached out to all payroll departments in response to the recent Vernava II decision. She has asked that all retirement deductions be stopped from members receiving supplemental pay while on Workers Compensation.

The following documents were also reviewed by the Board:

- Notice of Retiree Deaths
- Appropriation for Fiscal Year 2024
- Correspondence from PERAC re: Elizabeth Vendetti
- Labaton Sucharow 3Q 2022 Securities Litigation Report

- Open Meeting Law Guide and Educational Materials
- 2022 Administrative Budget
- Correspondence from Attorney Quirk re: Hartnett vs. CRAB, PERAC and Boston Retirement System
- September Financials: General Ledger, Account Summary, Trial Balance, Adjustments, Cash Disbursements, Cash Receipts, Wire Transfers.

McCann moved to adjourn at 12:45 PM.